

The Way Executives Cut Taxes

Many executives do an excellent job for their companies but fail to look out for themselves. May we ask you to take a minute out from company affairs and *think for a change of your own personal interest* through these methods which may cut your income tax sharply?

The following Report offers outstanding tax saving plans, for executives, now available. You will receive Recommendations each week covering any law changes and new developments as they occur.

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Research Institute Recommendations

589 Fifth Avenue, New York, N.Y. 10017

Dear Sir:

Back in 1960 we distributed a Handbook showing the way a man could actually get a substantial part of his income tax-exempt or switched over to a lower tax rate.

It had nothing to do with tax tricks or sharp angles. It was thoroughly legitimate. It met all Treasury rules without question, since it squared 100% with the law itself.

The Handbook created a sensation, because here many saw for the first time in their life what they could do - and do legitimately - to ease the tax bite when...

1. Drawing salary or earnings from a business
2. Making a profit on stocks or securities
3. Splitting income with your family for a lower tax
4. Finding deductions others often overlook
5. Receiving a bonus or share of profits

Since 1960 this Handbook wasn't obtainable at any price. It was out of stock. Now we have revised it - adding in new tax breaks opened up by legislation since its first printing.

You may have a copy if we get back the enclosed card before they are out of stock again. The demand is exceptionally heavy.

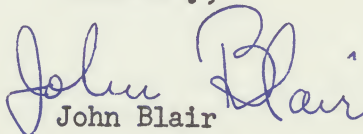
It's entitled "THE WAY EXECUTIVES CUT TAXES".

Sending you a copy is our way to introduce you to the Research Institute's regular weekly RECOMMENDATIONS - the leading source of business and tax advice in this country.

Though the RECOMMENDATIONS are weekly, they cost but \$2 a MONTH, payable annually - and now under this Special Offer you will also receive a free copy of the Handbook: "THE WAY EXECUTIVES CUT TAXES".

Return the reply card. But until the Handbook reaches you, just note on the next page the SIZE of the tax savings.

Sincerely,


John Blair

JB:rs

THE WAY EXECUTIVES CUT TAXES

YEARLY BONUS

Here's an executive getting a \$3,000 yearly bonus and after 10 years has only \$20,166 to show for it, due to taxes. Yet the same man getting the same bonus over the same 10 years could amass \$36,018, under the plan shown in THE WAY EXECUTIVES CUT TAXES. That's \$15,852 more and all can be a low-taxed Capital Gain.

\$5,000

To give his 8-year-old daughter \$5,000 at age 18, this man sets aside \$500 a year. But this \$500 is the entire after-tax interest on \$25,000 of bonds he owns. Then he read how his daughter could have her \$5,000 from only HALF the interest. Now he can keep the other half for his own use.

CONTRIBUTIONS

Mr. B gives his church \$1,000 a year which is tax deductible. In his 50% bracket it costs him \$500 after taxes to make the contribution. Yet if he gives \$1,000 in stock profits only (keeping his capital) he pays no tax on the gain but still deducts the gift. Extra tax saving: \$250.

J Company generally donates \$5,000 to a local charity. The after-tax cost is \$2,600 (\$5,000 less tax saving of \$2,400). But by giving merchandise with a retail value of \$5,000 (wholesale cost \$3,000) it would cost them only \$600 to contribute the same \$5,000. (Note: \$600 is not a misprint!)

TAX-FREE CASH FROM THE CORPORATION

Many executives don't realize they're in a position to draw out cash "locked inside" their corporation -- without any tax consequences. And there's no risk of having the money treated as salary, dividends or a loan. Executives who meet the requirements siphon out cash "frozen" in the corporation without paying any tax whatever...or interest on the money.

OFFICE-AT-HOME

One deduction the taxpayer may overlook is the expense of an "office-at-home". If you meet the two basic requirements of this deduction, simply list it on your tax return. Rent, depreciation, light, gas, and so on. Here is a particularly good tax break for salesmen, self-employed or professionals.

EXECUTIVE COMPENSATION

Mr. D - getting a \$1,000 raise - finds the tax will run \$400. So his firm sets up a plan that can give an employee a raise at the low-taxed Capital Gain rate. Result: Mr. D lets the money accumulate and he will take it in a lump sum upon leaving the company, in say, 10 years. THIS way he gets \$9,004. The other way he would have only \$6,722.

BONUS: If card is returned at once you also receive a free copy of

"TAX-WISE HANDLING OF EXPENSE ACCOUNTS UNDER THE NEW TAX LAW".

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